COGECO COMMUNICATIONS

News release

For immediate release

Cogeco Cable Inc. Releases Its Results For The First Quarter Of Fiscal 2016

- ***Revenue increased by $43.3 million, or 8.7%, to reach $540.3 million;***
- ***Adjusted EBITDA(1) increased by $25.3 million, or 11.6%, to reach $244.1 million compared to $218.9 million for the first quarter of fiscal 2015; and***
- ***A quarterly dividend of $0.39 per share was declared, an increase of 11.4% compared to the same period in fiscal 2015.***

Montréal, January 12, 2016 – Today, Cogeco Cable Inc. (TSX: CCA) ("Cogeco Cable" or the "Corporation") announced its financial results for the first quarter ended November 30, 2015, in accordance with International Financial Reporting Standards ("IFRS").

For the first quarter of fiscal 2016:

- Revenue increased by $43.3 million, or 8.7%, to reach $540.3 million driven by growth of 40.4% in the American cable services segment and 2.8% in the Enterprise data services segment with essentially stable revenue in the Canadian cable services segment.

◦ American cable services revenue increased primarily as a result of organic growth, the favorable foreign exchange rates compared to the same period of last year and the recent acquisition in the fourth quarter of fiscal 2015 of MetroCast Communications of Connecticut, LLC (the "Connecticut system");

◦ Enterprise data services revenue increased due to favorable foreign exchange rates;

◦Canadian cable services revenue was essentially stable as a result of lower primary service units ("PSU")(2) compared to the same period of the prior year, partly offset by rate increases and the continued growth in the business sector;

- Adjusted EBITDA increased by $25.3 million, or 11.6%, to reach $244.1 million compared to $218.9 million in the same period of fiscal 2015 mainly as a result of the following:

◦ Lower management fees paid to COGECO Inc. ("COGECO") during the first quarter of the year as a result of the Amended and Restated Management Services Agreement which became effective on September 1, 2015. The management fees are now payable on a monthly basis. In the previous fiscal year, management fees were fully paid in the first quarter resulting in higher operating margins in the second, third and fourth quarters;

◦ Higher adjusted EBITDA in the American cable services resulting from organic growth, favorable foreign exchange rates compared to the same period of the prior year and the recent acquisition of the Connecticut system;

◦ Enterprise data services higher adjusted EBITDA attributable to the favorable foreign exchange rates compared to the comparable period of the prior year;

◦ Higher adjusted EBITDA in the Canadian cable services resulting from lower marketing initiatives compared to the first quarter of fiscal 2015 during which TiVo digital advanced video services were launched in Ontario combined with continuous operational efficiency improvements;

(1) The indicated terms do not have standardized definitions prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. For more details, please consult the "Non-IFRS

financial measures" section of the MD&A.

(2) Represents the sum of video, Internet and telephony service customers.

- Operating margin(1) increased from 44.0% to 45.2% in the first quarter of fiscal 2016, with operating margins of 51.8% in the Canadian cable services, 43.7% in the American cable services and 33.6% in the Enterprise data services segments. The increase for the quarter resulted mainly from lower management fees paid to COGECO during the first quarter of the year as a result of the Amended and Restated Management Services Agreement which became effective on September 1, 2015 combined with a higher margin in the Canadian cable services segment and a stable margin in the American cable services segment, partly offset by a slightly lower margin in the Enterprise data services segment;
- Profit for the period amounted to $61.1 million, or $1.25 per share, compared to $56.7 million, or $1.16 per share in the comparable period of fiscal 2015, an increase of 7.8%, resulting from the improvement of the adjusted EBITDA, partly offset by the increases in depreciation and amortization and income taxes;
- Free cash flow(1) reached $40.0 million compared to $64.9 million, a decrease of $24.9 million, or 38.3%, compared to the same period of the prior year resulting from a timing difference in the acquisitions of property, plant and equipment, intangible and other assets and an increase in current income taxes, partly offset by the improvement of adjusted EBITDA;
- Cash flow from operating activities reached $96.1 million compared to $22.1 million an increase of $74.0 million, compared to fiscal 2015 first-quarter. The increase for the quarter is mostly attributable to the improvement in adjusted EBITDA combined with a decrease in changes in non-cash activities primarily due to changes in working capital, partly offset by the increase in income taxes paid;
- A quarterly eligible dividend of $0.39 per share was paid to the holders of subordinate and multiple voting shares, representing an increase of $0.04 per share, or 11.4%, compared to an eligible dividend of $0.35 per share paid in the first quarter of fiscal 2015;
- At its January 12, 2016 meeting, the Board of Directors of Cogeco Cable declared a quarterly eligible dividend of $0.39 per share for multiple voting and subordinate voting shares payable on February 9, 2016; and
- On December 8, 2015, the Corporation amended its Term Revolving Facility. Under the term of the amendment, the maturity was extended by an additional year and consequently, will mature on January 22, 2021.

"Overall, our results for the first quarter of the new fiscal year have been satisfactory," declared Louis Audet, President and Chief Executive Officer of Cogeco Cable Inc. "Our American cable services subsidiary, Atlantic Broadband, has successfully completed the integration of its acquisition in Connecticut and it continues to report strong results helping us consolidate our presence in the American market. Meanwhile, our Canadian cable services subsidiary continues to report satisfactory results."

"At Cogeco Peer 1, significant portions of the integration of our business units are complete," continued Mr. Audet. "Our teams continue to work diligently to build robust and competitive product portfolios as well as sales and go-to-market strategies. I am confident that the efforts we are putting into this investment now, under the guidance of the strong leadership team currently in place, will help us achieve the growth we expect from this sector."

"I would also like to share how proud I am that once again in 2015, Cogeco Cable Inc. maintained its strong position in the Globe and Mail's annual 'Board Games' which ranked Cogeco Cable among the top quarter of all Canadian companies.

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ABOUT COGECO CABLE

Cogeco Cable Inc. is a communications corporation. It is the 11th largest cable operator in North America, operating in Canada under the Cogeco Cable Canada name in Québec and Ontario, and in the United States under the Atlantic Broadband name in western Pennsylvania, south Florida, Maryland/Delaware, South Carolina and eastern Connecticut. Cogeco Cable Inc. provides its residential and business customers with video, Internet and telephony services through its two-way broadband fibre networks. Through its subsidiary Cogeco Peer 1, Cogeco Cable Inc. provides its business customers with a suite of information technology services (colocation, network connectivity, managed hosting, cloud services and managed IT services), through its 21 data centres, extensive FastFiber NetworkTM and more than 50 points-of-presence in North America and Europe. Cogeco Cable Inc.'s subordinate voting shares are listed on the Toronto Stock Exchange (TSX: CCA).

Source: **Cogeco Cable Inc.**

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Analyst Conference Call:

Wednesday, January 13, 2016 at 9:30 a.m. (Eastern Standard Time)
Media representatives may attend as listeners only.

Please use the following dial-in number to have access to the conference call by dialing five minutes before the start of the conference:

Canada/United States Access Number: **1 800-505-9573**

International Access Number: **+ 1 416-204-9498**

Confirmation Code: **6162342**

By Internet at corpo.cogeco.com/cca/en/investors/

A rebroadcast of the conference call will be available until January 19, 2016, by dialing:

Canada and United States access number: **1 888-203-1112**
International access number: **+ 1 647-436-0148**
Confirmation code: **6162342**